

Exhibits A-1 and A-2

Project Area Income Exhibit A-1, for Fiscal Year 2003-2004, reports all project area contributions and the amount deposited to the Low-Mod Fund that includes the additional income detailed in Exhibit A-2. Sources of income vary among agencies and project areas which explain why Exhibit A-1 identifies data reported by 373 agencies for 689 project areas whereas, in Exhibit A-2, 328 agencies reported income generated in 461 project areas. Project area income consists mostly of: (1) property tax increment required to be deposited (the law specifies special circumstances that enable some agencies to exempt and/or defer from deposit some or all of the required minimum set-aside of tax increment received) and, (2) additional income such as rent, grants, and/or sale of property, etc.

Exhibit A-1 shows a total of \$1,054,162,436 of project area receipts was deposited to agencies' Low-Mod Fund. This amount reflects the net total deposit after subtracting tax increment exemptions of \$14,904,266 and deferrals of \$3,812,214 (refer to Exhibits B-1 and B-2, respectively, for expanded reports of exemptions and deferrals listed by jurisdiction) from tax increment allocations of \$617,777,816 and adding \$1,809,889 of prior year repayment deferrals along with project area additional income of \$453,291,211 described below.

Exhibit A-2 identifies, for applicable agencies and project areas, the sources of additional income deposited to the Low-Mod Fund (\$453,291,211 total for this reporting year). Additional income comes from interest (\$33,029,592); rents and leases (\$11,893,829); sale of real estate (\$29,270,051); grants (\$2,695,606); receipts for administering bond programs (\$70,119); repayment of loans (\$66,510,159); debt proceeds (\$181,013,480); and other sources (\$128,808,375) such as transfers, credits, and prior year adjustments.

As reported in Exhibit A-1, project area receipts of tax increment allocations, deferral repayments, and additional income make up most of what was deposited to the Low-Mod Fund. Many agencies generate revenues that are not derived from project areas, such as interest accruing to the Low-Mod Fund from investments and loan repayments. Revenues derived from sources other than project areas are reported as generated by the agency's Low-Mod Fund on Schedule C, under the category "Project Area Receipts and Housing Fund Revenues," (refer to Exhibit C-1 under "Housing Fund Revenues"). The combined amount of Exhibit C-1's "Housing Fund Revenues" (\$126,381,396) and Exhibit A-1's "Total Project Area Receipts" (\$1,054,162,436) make up the total amount deposited to the Low-Mod Fund (\$1,180,543,832).